**Repeot on 'Enforcement of Drug Lawe**

3792. SHRI V. HANUMANTHA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the panel set up recently on enforcement of drug laws has since submmitted its report to Government;

(b) if so, what are the main recommendations contained in the Report and whether the same have been accepted; and

(c) how soon Government propose to implement them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) No such panel on enforcement of drug laws has been set up by the Government. However, a Committee has been set up to undertake a comprehensive review of the present arrangements for dealing with problem of drug abuse. This Committee has yet to submit its report.

(b) and (c) Do not arise.

**Setting up of Financial Serrvice Company by Bank of America**

3793. SHRI N. E. BALARAM :

SHRI INDER KUMAR GUJRAL:

Will the Minister of FINANCE be pleased to state :

(a) whether the Bank of America has been permitted by an authorised Committee of the Government of India to set up a Financial Services Company;

(b) whether in the proposed Financial Services Company the Bank of Ameriem will be holding 80 per cent equity;

(c) whether the Bank of America has come in for adverse comments in the JPC Report; and

(d) the reasons for Government to allow this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a), (b) and (d) Reserve Bank of India (RBI) have reported that Bank of America International Financial Corporation, a subsidiary of Bank of America Corporation, has been permitted by Foreign Investment Promotion Board (FIPB) to establish a subsidiary company *to* undertake financial services. The foreign equity permitted by FIPB amounts to 75% of the equity capital of the proposed company. Formal application to RBI seeking approval under Foreign Exchange Regulation Act, 1973 is yet to be made by the bank.

(c) Yes, Sir.

**Abolishing Excise Levies on Biscuits**

3794. SHRI B. K. HARIPRASAD: W;ll the Minister of FINANCE be pleased to state :

(a) whether it is a fact that presently biscuits produced by the organised sector are subject to excise duty ; if so, to what extent:

(b) whether Government are aware that biscuits have become essential food for the masses, including the poor which provide them with nutrition at affordable expense*; and

(c) whethei Government exempted luxury-oriented items like tooth-paste cosmetic*. ice-cream, etc. from the purview of excise levy; if so, whether Government would consider abolishing excise levies on biscuits manufactured by the organised sector ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Biscuit is levied to excise duty of 10% ad valorem.

(b) Biscuits are used by wide cross section of the people and the prices also vary widely depending upon quality, brand name, type etc.

(c) No, Sir.

**Department the Functions of Vke-chairman/Member of a Beach of Settlement Commision**

3795. SHRI GOPALSINH G. SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether under the provisions of auk-section (4) of Section 245BA of Inenae Tax Act 1961, the Chairman of Principal